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BANCO  
CARREGOSA

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Assessment Procedure of  
the Regulatory  
Compliance Plan

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November-2022

v. 1.0

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# Assessment Procedure of the Regulatory Compliance Plan

Board of Directors

## I. Versions Index

Date	Version	Description
Nov.2022	1.0	Creation of document.

## II. Properties

### Proprietorship

Board of Directors

### Proponent

Compliance Department

### Contributors

Supervisory Committee and Risk Department

### Approval

Board of Directors, on 29 December 2022

### Banco Carregosa Code

Support Processes | 4.03.10

### Entry into effect

30 November 2022

### Scope of Disclosure

General

### **III. Legislative Sources and Reference Documents**

2.01 – Code of Conduct.

2.09 – Policy on the Reporting of Irregularities.

1.52 – Plan for the Prevention of Risks of Corruption and Related Offences.

Decree-Law No. 109-E/2021 of 9 December, establishing the legal framework for the prevention of corruption.

### **IV. Definitions, Abbreviations, and Acronyms**

**Bank:** Banco L. J. Carregosa, S.A..

**BoD:** Board of Directors.

**SC:** Supervisory Committee.

**IAD:** Internal Audit Department.

**CD:** Compliance Department.

**PCD:** People and Culture Department.

**RD:** Risk Department.

**RACCP:** Regulatory Anti-Corruption Compliance Plan.

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## **A. Scope and Purpose**

1. This Procedure sets out how the RACCP of Banco Carregosa will be assessed.
2. The RACCP of the Bank consists of:
  - i. The Plan for the Prevention of Risks of Corruption and Related Offences;
  - ii. The Code of Conduct;
  - iii. The Training Plan;
  - iv. The Channel for Reporting Irregularities.

### **A.1. Plan for the Prevention of Risks of Corruption and Related Offences**

3. The BoD is responsible for approving the Plan for the Prevention of Risks of Corruption and Related Offences, with the CD as proponent and the RD and SC as contributors.
4. The Head of the CD, as proponent, and, more specifically, as the person in charge of compliance with the regulations on the prevention of corruption and related offences, is responsible for ensuring and monitoring the implementation of the Plan.
5. The CD is responsible for:
  - i. Preparing the mid-term assessment report to be submitted to the BoD in October on the identified higher risk situations;
  - ii. Preparing the annual assessment report, which shall quantify the degree of implementation of the preventive and corrective measures identified and the forecast for their implementation, in April of the following year relating to the period in question, to be submitted to the BoD.
6. The Plan for the Prevention of Risks of Corruption and Related Offences shall be revised every three years or whenever changes so require.

### **A.2. Code of Conduct**

7. The BoD shall be responsible for approving the Code of Conduct, after hearing the CD and the SC.
8. The BoD shall ensure that the Code is reviewed at regular intervals, to be carried out at least every two years and whenever changes in legislation and and/or regulations so justify.
9. The BoD shall hire, at least every three years, an external entity to conduct an analysis of the conduct and values of the institution, which shall also focus on the conduct and values of the BoD and its supporting bodies.
10. The CD shall assess the conformity and completeness of the Code at least every two years and submit the results of its analysis to the BoD and the SC.
11. The SC shall promote, every three years, periodic and independent assessments of the conduct and values thereof, articulated with the assessments foreseen in paragraph 9.

### **A.3. Channel for the Reporting of Irregularities**

12. In order to ensure a channel for reporting irregularities, Banco Carregosa, more precisely the BoD, established the 2.09 – Policy on the Reporting of Irregularities, after hearing the BoD and the SC.
13. The BoD shall also ensure the periodic review of the Policy in question at least every two years, without prejudice to reviews whenever justified by legal or regulatory changes.



14. The SC shall be responsible for analysing the reporting of irregularities, except when they concern the SC itself or any of its members.
15. The CD is the structural unit that, in articulation with the SC, is responsible for monitoring the implementation of the autonomous procedure for reporting irregularities and for ensuring the adequate implementation of a process designed to ensure that all reports made are recorded in a proper database and are subject to analysis.
16. The IAD shall assess, at least every three years, the quality of the IT system for reporting irregularities. This analysis shall include quality control, review of general IT contracts and conformity of the IT system with the applicable legislation and regulations and with the internal rules in force in the Bank.

#### **A.4. Training Plan**

17. At the moment, the Bank has no autonomous Training Plan in force, and requirements for training are scattered across the various regulations of Banco Carregosa.
18. Regarding the training on the regulatory requirements that form part of the RACCP, it should be noted that:
  - i. 2.01 – Code of Conduct, paragraph 13. and 1.04 – Regulations of the Board of Directors, Article 3(1)( iv.), establish that express knowledge of the essential principles and rules of conduct that underpin the Bank’s activity must be acquired before taking up office and be periodically updated through training sessions provided by the Bank;
  - ii. 2.09 – Policy on the Reporting of Irregularities, paragraph 5., establishes that the BoD is responsible for ensuring that all Bank employees assegurar are made aware of the Policy in question, ensuring, with the help of the CD and the PCD, that training sessions provided by the Bank are carried;
  - iii. 1.52 – Plan for the Prevention of Risks of Corruption and Related Offences, paragraphs 27. to 29. defines the guidelines of the training plan for MOAFs and employees, taking into account the different types of exposure to the risks identified, and also the main topics to be covered in the training sessions.

#### **B. Transitional and Final Provisions**

19. The PCD shall be responsible for putting in place by February 2023 a Human Resource Policy that addresses, inter alia, the topic of training.
20. Banco Carregosa shall be responsible for promoting, in its various bodies and departments, the revision and drafting of internal regulations required not only for regulatory compliance purposes, but also for good market practices relevant to the pursuit of financial activity, and also for ensuring the training of all its employees, irrespective of their involvement with clients and their seniority.
21. Given that the internal regulatory framework on the prevention of corruption and related offences was only approved in November 2022, no interim report will be produced this year, the first report being presented in April 2023.

